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June 1, 2017

In the Matter of the Petition of
Public Service Electric and Gas Company's
2017 Annual Margin Adjustment Charge ("MAC")

BPU Docket No. GRI1660593

VIA BPU E-FILING SYSTEM & OVERNIGHT MAIL

Irene Kim Asbury, Secretary
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
P.O. Box 350
Trenton, New Jersey 08625-0350

Dear Secretary Asbury:

Public Service Electric and Gas Company (PSE&G) submits its Petition, Testimony and Supporting Schedules in the above-referenced proceeding on the Board of Public Utilities E-Filing system.

Very truly yours,

A handwritten signature in blue ink that reads "Matthew Weissman".

C Attached Service List (electronic only)

CMS
LEGAL
DIAG
RPA
ENERGY(TOC)

BPU

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STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF PUBLIC SERVICE)
ELECTRIC AND GAS COMPANY'S) **PETITION**
2017 ANNUAL MARGIN)
ADJUSTMENT CHARGE (MAC)) DOCKET NO. _____

Public Service Electric and Gas Company (Public Service, the Company or PSE&G), a public utility of the State of New Jersey, with its principal offices for the transaction of business at 80 Park Plaza Newark, New Jersey 07101, hereby Petitions the New Jersey Board of Public Utilities (Board) as follows:

Public Service, as a combination electric and gas utility, is engaged in the purchase, transmission, distribution and sale of natural gas for residential, commercial and industrial customers in New Jersey in addition to its electric operations.

MARGIN ADJUSTMENT CHARGE (MAC)

1. On January 9, 2002 as a result of the gas base rate case under BPU Docket No. GR01050328, the MAC was implemented to credit the net revenues associated with Non-Firm Transportation Gas Service (TSG-NF) rates to customers on Rate Schedules Residential Service (RSG), General Service (GSG), Large Volume Service (LVG), Street Lighting Service (SLG) and Firm Transportation Gas Service (TSG-F).

There are two limited situations when some or all of the revenue associated with certain specific TSG-NF customers flow to earnings in lieu of otherwise being included in the MAC and distributed to customers on RSG, GSG, LVG, SLG and TSG-F rate schedules. These are:

1. When gas applications formerly being served under Rate Schedule LVG switch to Rate Schedule TSG-NF after the effective date of a base rate case decision. The total TSG-NF revenues from these switching customers, other than that related to the commodity, Sales and Use Tax (SUT), Societal Benefits Charge (SBC) and Green Programs Recovery Charge (GPRC) flow to earnings in lieu of being included in the MAC until the effective date of new rates in the Company's next base rate case. These revenues will be used to recover costs associated with the infrastructure (service, mains, meters, etc.) already installed to provide firm service at Rate LVG, since TSG-NF revenues no longer flow to the Company once the customer switches to TSG-NF. The margin treatment for customers switching from TSG-NF to LVG is reciprocal for customers switching from LVG to TSG-NF.
2. When the Company retains a portion of the TSG-NF revenues for new TSG-NF customers whose service commences on or after the end of the test year established in a base rate case or for additional investment necessary to serve existing TSG-NF customers after the end of the base rate case test year. For

this purpose, new customers are defined as gas service to a separately metered new account for equipment that did not previously utilize gas delivery service from PSE&G. As described in the first situation above, TSG-NF net revenues are defined as total revenues, other than that related to the commodity, SUT, SBC and GPRC charges. The annual amount retained by the Company is equal to twenty-percent (20%) of the cost of the new facilities required to serve all such customers, less any direct customer contribution toward these costs, and is used to cover the costs associated with these new customers. As in the first situation, the cost recovery associated with these customers remains in force until the effective date of new rates in the Company's next base rate case.

In the most recent MAC proceeding of 2016, the MAC credit was set at (\$0.006782) per therm including SUT. This rate was amended to (\$0.006774) per therm including SUT effective January 1, 2017 due to a change in the SUT rate from 7% to 6.875%.

2017 ANNUAL MAC FILING

This annual MAC filing petition is supported by the direct testimony of Stephen Swetz attached hereto as Attachment A in which he recommends the Company maintain the current MAC credit of (\$0.006774) per therm including SUT. Details supporting the MAC Balance can be found on Schedule SS-MAC-3.

In this 2017 Annual MAC filing, for the period ending April 30, 2017, the actual MAC balance is overcollected by \$6.55 million excluding interest as detailed on Schedule SS-MAC-3, column 10.

At the end of the period ending September 2017, the MAC balance is forecasted to be overcollected \$15.08 million excluding interest as detailed on Schedule SS-MAC-3, column 10. The MAC balance including interest is forecasted to be overcollected \$16.07 million as detailed on Schedule SS-MAC-3, column 14. The newly calculated rate of (\$0.006747) per therm including SUT, would result in a minor rate increase of \$0.000027 per therm from the current rate of (\$0.006774) per therm including SUT. Since the MAC is filed annually, the Company proposes to maintain the current rate of (\$0.006774) per therm including SUT and not implement this minor rate increase at this time. A clean Tariff Sheet for the current MAC is attached hereto as Attachment B.

As a result of the proposed MAC, PSE&G's typical residential gas heating customers using 165 therms in a winter month and 1,010 therms annually would experience no change in their annual bill of \$861.02, based upon current Delivery Rates and BGSS-RSG charges in effect on June 1, 2017 and assumes that the customer receives BGSS service from PSE&G.

COMMUNICATIONS

Communications and correspondence related to the Petition should be sent as

follows:

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CONCLUSION

WHEREFORE, Public Service hereby requests that the Board issue a written Order by October 1, 2016 approving the Company's MAC rate of (\$0.006774) including SUT per therm as reasonable and prudent at this time and, accordingly, modify the Tariff for Gas Service, B.P.U.N.J. No. 15 Gas, pursuant to N.J.S.A., 48:2-21 and 48:2-2.1.

Respectfully submitted,

PUBLIC SERVICE ELECTRIC AND GAS COMPANY



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DATED: June 1, 2017
Newark, New Jersey

1 **PUBLIC SERVICE ELECTRIC AND GAS COMPANY**
2 **DIRECT TESTIMONY**
3 **OF**
4 **STEPHEN SWETZ**
5 **SR. DIRECTOR - CORPORATE RATES AND REVENUE**
6 **REQUIREMENTS**

7
8 My name is Stephen Swetz and I am the Sr. Director - Corporate
9 Rates and Revenues Requirements for PSEG Services Corporation. My
10 credentials are set forth in the attached Schedule SS-MAC-1.

11
12 **SCOPE OF TESTIMONY**

13 The purpose of my testimony is to support Public Service Electric &
14 Gas Company's (PSE&G, the Company) annual Margin Adjustment Charge
15 (MAC) filing. The testimony and accompanying schedules support a Margin
16 Adjustment Charge (MAC) credit of (\$0.006747) per therm including New Jersey
17 Sales and Use Tax (SUT).

18
19 **MARGIN ADJUSTMENT CHARGE BACKGROUND**

20 On January 9, 2002 as a result of the gas base rate case under Board
21 of Public Utilities (BPU) Docket No. GR01050328, the MAC was implemented to
22 credit the net revenues associated with Non-Firm Transportation Gas Service
23 (TSG-NF) rates to customers on Rate Schedules Residential Service (RSG),

1 General Service (GSG), Large Volume Service (LVG), Street Lighting Service
2 (SLG) and Firm Transportation Gas Service (TSG-F).

3 There are two limited situations when some or all of the revenue
4 associated with certain specific TSG-NF customers flow to earnings in lieu of
5 otherwise being included in the MAC and distributed to customers on RSG, GSG,
6 LVG, SLG and TSG-F rate schedules. These are:

- 7 1. When gas applications formerly being served under Rate Schedule LVG
8 switch to Rate Schedule TSG-NF after the effective date of a base rate case
9 decision, the total TSG-NF revenues from these switching customers, other
10 than that related to the commodity, SUT, Societal Benefits Charge (SBC)
11 and Green Programs Recovery Charge (GPRC) flow to earnings in lieu of
12 being included in the MAC until the effective date of new rates in the
13 Company's next base rate case. These revenues will be used to recover
14 costs associated with the infrastructure (service, mains, meters, etc.) already
15 installed to provide firm service at Rate LVG, since TSG-NF revenues no
16 longer flow to the Company once the customer switches to TSG-NF. The
17 margin treatment for customers switching from TSG-NF to LVG is
18 reciprocal for customers switching from LVG to TSG-NF.
- 19 2. When the Company retains a portion of the TSG-NF revenues for new
20 TSG-NF customers whose service commences on or after the end of the test
21 year established in a base rate case or for additional investment necessary to
22 serve existing TSG-NF customers after the end of the base rate case test

1 year. For this purpose, new customers are defined as gas service to a
2 separately metered new account for equipment that did not previously
3 utilize gas delivery service from PSE&G. As described in the first situation
4 above, TSG-NF net revenues are defined as total revenues, other than that
5 related to the commodity, SUT, SBC and GPRC charges. The annual
6 amount retained by the Company is equal to twenty-percent (20%) of the
7 cost of the new facilities required to serve all such customers, less any
8 direct customer contribution toward these costs, and is used to cover the
9 costs associated with these new customers. As in the first situation, the cost
10 recovery associated with these customers remains in force until the
11 effective date of new rates in the Company's next base rate case.

12 In the most recent MAC proceeding of 2016, the MAC credit was set
13 at (\$0.006782) per therm including SUT. This rate was amended to (\$0.006774)
14 per therm including SUT effective January 1, 2017 due to a change in the SUT
15 rate from 7% to 6.875%.

16
17 **2017 ANNUAL MAC FILING**

18 In this 2017 Annual MAC filing, for the period ending April 30,
19 2017, the actual MAC balance is overcollected by \$6.55 million excluding interest
20 as detailed on Schedule SS-MAC-3, column 10.

21 At the end of the period ending September 2017, the MAC balance
22 is forecasted to be overcollected \$15.08 million excluding interest as detailed on

1 Schedule SS-MAC-3, column 10. The MAC balance including interest is
2 forecasted to be overcollected \$16.07 million as detailed on Schedule SS-MAC-3,
3 column 14.

4

5 **CALCULATION OF THE MAC CREDIT**

6 The calculation of the MAC credit of (\$0.006747) per therm including SUT is
7 shown in the following table:

1	Forecasted Total Over/(Under) Recovery Per Schedule SS-MAC-2	\$16,074,979
2	Forecasted Therms for October 1, 2016 to September 30, 2017	2,546,418,753
3=(1/2)*-1	Margin Adjustment Charge (Per Therm)	(\$0.006313)
4=3*1.06875	Margin Adjustment Charge (Including Sales and Use Tax)	(\$0.006747)

8

9 **CONCLUSION**

10 The newly calculated rate of (\$0.006747) per therm including SUT from
11 above, would result in a minor rate increase of \$0.000027 per therm from the
12 current rate of (\$0.006774) per therm including SUT. Since the MAC is filed
13 annually, the Company proposes to maintain the current rate of (\$0.006774) per
14 therm including SUT and not implement this minor rate increase at this time.

1 other filings including unbundling electric rates and Off-Tariff Rate Agreements. I have
2 had a leadership role in various economic analyses, asset valuations, rate design, pricing
3 efforts and cost of service studies.

4 I am an active member of the American Gas Association's Rate and
5 Strategic Issues Committee, the Edison Electric Institute's Rates and Regulatory Affairs
6 Committee and the New Jersey Utility Association (NJUA) Finance and Regulatory
7 Committee.

8 **EDUCATIONAL BACKGROUND**

9 I hold a B.S. in Mechanical Engineering from Worcester Polytechnic
10 Institute and an MBA from Fairleigh Dickinson University.

LIST OF PRIOR TESTIMONIES

Company	Utility	Docket	Testimony	Date	Case / Topic
Public Service Electric & Gas Company	E/G	ER17030324 - GR17030325	written	Mar-17	Energy Strong / Revenue Requirements & Rate Design - Sixth Roll-in
Public Service Electric & Gas Company	E/G	EO14080897	written	Mar-17	Energy Efficiency 2017 Program
Public Service Electric & Gas Company	E	ER17020136	written	Feb-17	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E	EO16080788	written	Aug-16	Construction of Mason St Substation
Public Service Electric & Gas Company	E	ER16090918	written	Sep-16	Energy Strong / Revenue Requirements & Rate Design - Fifth Roll-in
Public Service Electric & Gas Company	E	ER16080785	written	Aug-16	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	G	GR16070711	written	Jul-16	Gas System Modernization Program (GSMP) - First Roll-in
Public Service Electric & Gas Company	G	GR16070617	written	Jul-16	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	G	GR16060484	written	Jun-16	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E	EO16050412	written	May-16	Solar 4 All Extension II (S4AllExt II) / Revenue Requirements & Rate Design
Public Service Electric & Gas Company	E/G	ER16030272 - GR16030273	written	Mar-16	Energy Strong / Revenue Requirements & Rate Design - Fourth Roll-in
Public Service Electric & Gas Company	E/G	GR15111294	written	Nov-16	Remediation Adjustment Charge-RAC 23
Public Service Electric & Gas Company	E	ER15101180	written	Sep-15	Energy Strong / Revenue Requirements & Rate Design - Third Roll-in
Public Service Electric & Gas Company	E/G	ER15070757-GR15070758	written	Jul-15	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT,
Public Service Electric & Gas Company	E	ER15060754	written	Jul-15	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR15060748	written	Jul-15	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	G	GR15060546	written	Jun-15	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER15050558	written	May-15	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E	ER15050558	written	May-15	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER15030389-GR15030390	written	Mar-15	Energy Strong / Revenue Requirements & Rate Design - Second Roll-in
Public Service Electric & Gas Company	G	GR15030272	written	Feb-15	Gas System Modernization Program (GSMP)
Public Service Electric & Gas Company	E/G	GR14121411	written	Dec-14	Remediation Adjustment Charge-RAC 22
Public Service Electric & Gas Company	E/G	ER14091074	written	Sep-14	Energy Strong / Revenue Requirements & Rate Design - First Roll-in
Public Service Electric & Gas Company	E/G	EO14080897	written	Aug-14	EEE Ext II
Public Service Electric & Gas Company	G	ER14070656	written	Jul-14	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E/G	ER14070651-GR14070652	written	Jul-14	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT,
Public Service Electric & Gas Company	E	ER14070650	written	Jul-14	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR14050511	written	May-14	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E/G	GR14040375	written	Apr-14	Remediation Adjustment Charge-RAC 21
Public Service Electric & Gas Company	E/G	ER13070603-GR13070604	written	Jun-13	Green Programs Recovery Charge (GPRC)-Including DR, EEE, EEE Ext, CA, S4All, SLII /
Public Service Electric & Gas Company	G	GR13070615	written	Jun-13	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	G	GR13060445	written	May-13	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E/G	EO13020155-GO13020156	written/oral	Mar-13	Energy Strong / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	G	GO12030188	written/oral	Mar-13	Appliance Service / Tariff Support
Public Service Electric & Gas Company	E	ER12070599	written	Jul-12	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER12070606-GR12070605	written	Jul-12	RGGI Recovery Charges (RRC)-Including DR, EEE, EEE Ext, CA, S4All, SLII / Cost Recovery
Public Service Electric & Gas Company	E	EO12080721	written/oral	Jul-12	Solar Loan III (SLIII) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E	EO12080721	written/oral	Jul-12	Solar 4 All Extension(S4AllExt) / Revenue Requirements & Rate Design - Program
Public Service Electric & Gas Company	G	GR12060489	written	Jun-12	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	G	GR12060583	written	Jun-12	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E/G	ER12030207	written	Mar-12	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E	ER12030207	written	Mar-12	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	G	GR11060338	written	Jun-11	Margin Adjustment Charge (MAC) / Revenue Requirements & Rate Design - Program
Public Service Electric & Gas Company	G	GR11060395	written	Jun-11	Weather Normalization Charge / Revenue Requirements & Rate Design - Program
Public Service Electric & Gas Company	E	EO11010030	written	Jan-11	Economic Energy Efficiency Extension (EEExt) / Revenue Requirements & Rate Design
Public Service Electric & Gas Company	E/G	ER10100737	written	Oct-10	RGGI Recovery Charges (RRC)-Including DR, EEE, CA, S4All, SLII / Cost Recovery
Public Service Electric & Gas Company	E/G	ER10080550	written	Aug-10	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E	ER10080550	written	Aug-10	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	E/G	GR09050422	written/oral	Mar-10	Base Rate Proceeding / Cost of Service & Rate Design
Public Service Electric & Gas Company	E	ER10030220	written	Mar-10	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	E	EO09030249	written	Mar-09	Solar Loan II(SLII) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E/G	EO09010056	written	Feb-09	Economic Energy Efficiency(EEE) / Revenue Requirements & Rate Design - Program
Public Service Electric & Gas Company	E	EO09020125	written	Feb-09	Solar 4 All (S4All) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E	EO08080544	written	Aug-08	Demand Response (DR) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E/G	ER10100737	written	Jun-08	Carbon Abatement (CA) / Revenue Requirements & Rate Design - Program Approval

**PSE&G - Margin Adjustment Clause
 Clause Balances Over/(Under) and
 Cummulative Interest Summary
 Actuals Through April 2017**

Schedule SS-MAC-2

Page 1 of 1

	(1) Column 10 from Schedule SS-MAC-3	(2) Column 13 from Schedule SS-MAC-3	(3) Col 1 + Col 2 + Col 3		
	<u>MAC Balance Over/(Under)</u>	<u>Cumulative Interest</u>	<u>Total Over/(Under) Recovery</u>		
<u>Month</u>					
A c t u a l s	Sep-16	\$11,459,037	\$800,019	\$12,259,056	
	Oct-16	\$11,536,750	\$818,511	\$12,355,261	
	Nov-16	\$11,014,925	\$836,646	\$11,851,571	
	Dec-16	\$9,740,555	\$853,337	\$10,593,892	
	Jan-17	\$8,536,486	\$868,035	\$9,404,521	
	Feb-17	\$8,787,099	\$881,966	\$9,669,065	
	Mar-17	\$6,527,842	\$894,282	\$7,422,123	
	Apr-17	\$6,549,518	\$904,798	\$7,454,317	
	forecast	May-17	\$8,240,344	\$916,692	\$9,157,036
		Jun-17	\$10,144,941	\$931,477	\$11,076,418
Jul-17		\$12,390,844	\$949,599	\$13,340,443	
Aug-17		\$13,578,144	\$970,483	\$14,548,627	
Sep-17		\$15,081,449	\$993,530	\$16,074,979	

**PSE&G - Margin Adjustment Clause
Balance Over/(Under) and Interest Calculation
MAC Balance**
(\$'s - Unless noted)
Actuals Through April 2017

Month	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Total TSG-NF Revenue	Total TSG-NF Expenses	LVG to TSG-NF Migration	TSG-NF to LVG Migration	Carving Charge on New TSG-NF Customer Connection Investments	TSG-NF Net Margin Revenue	Prior Period Billing Adj.	MAC Credit	MAC Over/(Under) Recovery	MAC Balance	Annual Interest Rate	Interest on Prospective Balance	Cummulative Interest	Total MAC + Accumulated Interest Over/(Under) Recovery
Sep-16	\$1,684,555	\$538,649	\$20,696	\$70,283	\$0	\$1,054,726	\$86,149	(\$528,756)	\$612,120	\$11,459,037	1.93%	\$17,938	\$800,019	\$12,259,056
Oct-16	\$1,737,286	\$843,529	\$6,701	\$50,317	\$0	\$836,738	\$77,205	(\$836,231)	\$77,713	\$11,536,750	1.93%	\$18,492	\$818,511	\$12,355,261
Nov-16	\$1,922,379	\$906,208	\$76,146	\$59,366	\$0	\$880,659	\$68,825	(\$1,471,309)	(\$521,826)	\$11,014,925	1.93%	\$18,135	\$836,646	\$11,851,571
Dec-16	\$2,396,902	\$1,124,562	\$35,711	\$65,112	\$0	\$1,171,517	\$57,067	(\$2,502,953)	(\$1,274,370)	\$9,740,555	1.93%	\$16,691	\$853,337	\$10,593,892
Jan-17	\$2,774,701	\$1,361,985	\$48,878	\$75,948	\$0	\$1,287,890	\$97,652	(\$2,589,612)	(\$1,204,069)	\$8,536,486	1.93%	\$14,698	\$868,035	\$9,404,521
Feb-17	\$3,070,749	\$590,476	\$47,662	\$91,940	\$0	\$2,340,471	\$96,295	(\$2,186,152)	\$250,613	\$8,787,099	1.93%	\$13,931	\$881,966	\$9,669,065
Mar-17	\$1,418,655	\$1,035,569	\$95,742	\$90,092	\$0	\$197,253	\$101,420	(\$2,557,931)	(\$2,259,258)	\$6,527,842	1.93%	\$12,316	\$894,282	\$7,422,123
Apr-17	\$2,361,886	\$1,041,531	\$118,295	\$121,619	\$0	\$1,080,441	\$106,772	(\$1,165,536)	\$21,677	\$6,549,518	1.93%	\$10,516	\$904,798	\$7,454,317
May-17	\$3,870,781	\$1,371,816	\$118,295	\$121,619	\$0	\$2,259,051	\$122,108	(\$690,334)	\$1,690,825	\$8,240,344	1.93%	\$11,894	\$916,692	\$9,157,036
Jun-17	\$4,044,147	\$1,574,068	\$118,295	\$121,619	\$0	\$2,230,165	\$109,544	(\$435,112)	\$1,904,597	\$10,144,941	1.93%	\$14,785	\$931,477	\$11,076,418
Jul-17	\$4,660,150	\$1,816,894	\$118,295	\$121,619	\$0	\$2,603,343	\$81,738	(\$439,176)	\$2,245,903	\$12,390,844	1.93%	\$18,123	\$949,599	\$13,340,443
Aug-17	\$2,827,914	\$1,088,345	\$118,295	\$121,619	\$0	\$1,499,654	\$92,119	(\$404,473)	\$1,187,300	\$13,578,144	1.93%	\$20,883	\$970,483	\$14,548,627
Sep-17	\$3,377,313	\$1,297,575	\$118,295	\$121,619	\$0	\$1,839,824	\$86,149	(\$422,666)	\$1,503,305	\$15,081,449	1.93%	\$23,047	\$993,530	\$16,074,979

Monthly Calculations

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Forecast	

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 43

B.P.U.N.J. No. 15 GAS

Superseding

XXX Revised Sheet No. 43

MARGIN ADJUSTMENT CHARGE

**CHARGE APPLICABLE TO
RATE SCHEDULES RSG, GSG, LVG, SLG, TSG-F
(Per Therm)**

Margin Adjustment Charge (\$0.006338)

Margin Adjustment Charge including New Jersey Sales and Use Tax (SUT).....(\$0.006774)

Margin Adjustment Charge

This mechanism is designed to insure return of certain net revenues to the customer classes denoted above. Actual net revenues will be subject to deferred accounting. Interest at the seven-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances.

Date of Issue:

Issued by SCOTT S. JENNINGS, Vice President Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102
Filed pursuant to Order of Board of Public Utilities dated
in Docket No.

Effective: